NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) - Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.5

THIS LEASE AGREEMENT is made this

described land, hereinafter called leased premises:

such part of the leased premises

190 ACRES OF LAND, MORE OR LESS, BEING LOT(S) $_$

PAID UP OIL AND GAS LEASE (No Surface Use)

whose addresss is 5174 Paris Street Fort Worth Texas 76/19 as Lessor, and, DALE PROPERTY SERVICES, LLC., 2100 Ross Avenue, Suite 1870 Dallas Texas 75207, as Lessee. All printed portions of this lease were prepared by the party

hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following

Cynthia

2009, by and between

Vasquez

BLOCK 20
ADDITION, AN ADDITION TO THE CITY OF

OUT OF THE	Glen Pa	rk	ADDITION, A	AN ADDITION TO THE CITY OF
For VI	01-tic 388-K	, T.	RRANT COUNTY, TEXAS, ACCORDING TO THA OF THE PLAT RECORDS OF TARI	AT CERTAIN PLAT RECORDED
IN VOLUME	300°K	, PAGE	OF THE PLAT RECORDS OF TARI	RANT COUNTY, TEXAS.
in the County of Tarrant, State of TEXAS, containing				
as long thereafter as otherwise maintained 3. Royalties or separated at Lessee Lessor at the wellheat the wellhead market prevailing price for the severance, or other severance in the leased premise before another of such operations or poducing the severance, or lands premises or lands promises or lands	oil or gas or other so in effect pursuant in oil, gas and other or oil, gas and other of separator facilities ad or to Lessor's cruprice then prevailing production of similar production of similar of the purchase such as the date on wor lands pooled the mulation, but such wor lands pooled the mulation, but such wor guantities for the same field, then in the grant of the same field, then in the grant of the same field, then in the same field, then in the same field, then in the grant of the same field, then in the grant of the same field, the same field in the grant of the same for the same of the sa	substances covered here to the provisions hereof. substances produced ares, the royalty shall be edit at the oil purchaser's and in the same field (or i illar grade and gravity; of the provisions of the provisions of the province of the p	shall be in force for a primary term of are produced in paying quantities from the leased premises or for saved hereunder shall be paid by Lessee to Lessor as follows: Directiff (1965) of such production ansportation facilities, provided that Lessee shall have the continuere is no such price then prevailing in the same field, then infor gas (including casing head gas) and all other substance dis realized by Lessee from the sale thereof, less a proportionate in delivering, processing or otherwise marketing such gas or othing wellhead market price paid for production of similar quality in there is such a prevailing price) pursuant to comparable purchase purchases hereunder, and (c) if at the end of the primary term of production oil or gas or other substances covered hereby in pay in or production there from is not being sold by Lessee, such well of lease. If for a period of 90 consecutive days such well or wells dollar per acre then covered by this lease, such payment to be reiod and thereafter on or before each anniversary of the end of provided that if this lease is otherwise being maintained by operational therewith, no shut-in royalty shall be due until the end of induction royalty shall render Lessee liable for the amount due, but so or tendered to Lessor or to Lessor's credit in at lessor's addressed to apository should liquidate or be succeeded by another institution as a stamped envelope addressed to apository should liquidate or be succeeded by another institution as overnmental authority, then in the event this lease is not otherwise being maintained in force but Lessee is then enverting an existing well or for drilling an additional well or for or in paying quantities) permanently ceases from any caus governmental authority, then in the event this lease is not otherwise being maintained in force but Lessee is then enverting an existing well or for drilling an additional well or for or in the production of oil or gas or other substance refrom, this lease shall remain in force so long as any one or mor	(a) For oil and other liquid hydrocarbons ion, to be delivered at Lessee's option to nuing right to purchase such production at the nearest field in which there is such a es covered hereby, the royalty shall be e part of ad valorem taxes and production, ier substances, provided that Lessee shall the same field (or if there is no such price as contracts entered into on the same or or any time thereafter one or more wells on ing quantities or such wells are waiting on il or wells shall nevertheless be deemed to are shut-in or production there from is not made to Lessor or to Lessor's credit in the said 90-day period while the well or wells erations, or if production is being sold by the 90-day period next following cessation half not operate to terminate this lease. Less above or its successors, which shall have be made in currency, or by check or by the depository or to the Lessor at the last is, or for any reason fail or refuse to accept as depository agent to receive payments. The including a revision of unit boundaries hereinafter called "dry hole") on the leased re, including a revision of unit boundaries hereinafter called "dry hole") on the leased replay in paying maintained in force it shall therwise obtaining or restoring production after such cessation of all production. If at ngaged in drilling, reworking or any other ore of such operations are prosecuted with ces covered hereby, as long thereafter as producing in paying quantities hereunder, ill under the same or similar circumstances and product the same or similar circumstances.
6. Lessee shadepths or zones, and proper to do so in ordunit formed by such horizontal completion completion to conforr of the foregoing, the prescribed, "oil well" feet or more per ba equipment; and the equipment; and the	Il have the right buld as to any or all so der to prudently dev pooling for an oil win shall not exceed 6 m to any well spacinterms "oil well" anomeans a well with a mrel, based on 24-lterm "horizontal coterm "horizontal c	t not the obligation to po- substances covered by the velop or operate the least ell which is not a horizon 40 acres plus a maximur- ng or density pattern that d "gas well" shall have than initial gas-oil ratio of le- hour production test cor propletion" means an oil we mpletion" means an oil we	all or any part of the leased premises or interest therein with an lease, either before or after the commencement of production, premises, whether or not similar pooling authority exists with rescompletion shall not exceed 80 acres plus a maximum acreage increage tolerance of 10%; provided that a larger unit may be formally be prescribed or permitted by any governmental authority have meanings prescribed by applicable law or the appropriate governmental authority have meanings prescribed by applicable law or the appropriate governmental 100,000 cubic feet per barrel and "gas well" means a well victed under normal producing conditions using standard lease ell in which the horizontal component of the gross completion in which the horizontal component of the gross completion into see shall file of record a written declaration describing the unit	whenever Lessee deems it necessary or spect to such other lands or interests. The itolerance of 10%, and for a gas well or a med for an oil well or gas well or horizontal ving jurisdiction to do so. For the purpose inmental authority, or, if no definition is so with an initial gas-oil ratio of 100,000 cubic esperarator facilities or equivalent testing interval in facilities or equivalent testing erval in the reservoir exceeds the vertical
reworking operations net acreage covered Lessee. Pooling in c unit formed hereunde prescribed or permitt	on the leased prer by this lease and one or more instance or by expansion or ted by the governm	mises, except that the pro- included in the unit bear- ses shall not exhaust Les- contraction or both, eith ental authority having jui	hich includes all or any part of the leased premises shall be to action on which Lessor's royalty is calculated shall be that propo to the total gross acreage in the unit, but only to the extent suc be's pooling rights hereunder, and Lessee shall have the recurring before or after commencement of production, in order to conficulation, or to conform to any productive acreage determination in tion describing the revised unit and stating the effective date of	ortion of the total unit production which the ch proportion of unit production is sold by gright but not the obligation to revise any form to the well spacing or density pattern made by such governmental authority. In

leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filling of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lessor's interest in such part of the leased premises bears to the full mineral estate in such part of the leased premises.

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferree to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of

the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

If Lessee releases all or an undivided interest relained hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery. Lessee shall have the right of ingress and egrees along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises os related berein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease, and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

11. Lessee's obligations under this lease, whether express or implied,

13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable

Notary Public, State of Texas Commission Expires October 05, 2011

time after said judicial determination to remedy the breach or default has occurred, this lease shall not be forested in whole of in part unless Lessee is given a reasonable time after said judicial determination recreased to the present and Lessee fails to do so.

14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or

other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes. mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until

Lessee has been furnished satisfactory evidence that such claim has been resolved. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations.

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE) & gely Norguez Cynthia Lorraine Vasy use ACKNOWLEDGMENT STATE OF COUNTY OF Tarran was acknowledged before me on the day of MARIA MUNOZ PADILLA Notary Public, State of Texas My Commission Expires Public, State of 15 ary's name (printed): October 05, 2011 Lexas STATE OF Tarrant COUNTY OF This instrument was acknowledged before me on the day of orraine Vasquez Notaty Public, State of MARIA MUNOZ PADILLA

Notary's name (printed):

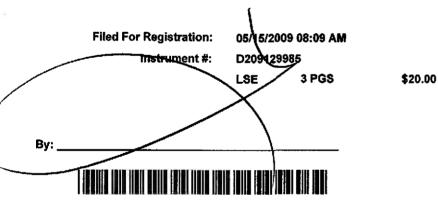


DALE PROPERTY SERVICES
ATTN: ANN VANDENBERG
2100 ROSS AVE, STE 1870, LB-9
DALLAS TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.



D209129985

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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